(ii) intensive cost control drive.

(iii) minimum capital expenditure.

(iv) market oriented product-mix, increasing sales network, greater focus on customer satisfaction, etc.

(v) implementation of voluntary retirement scheme for right sizing the manpower.

(c) As a result of intensive cost control measures and other initiatives taken in last three years, variable cost of production of saleable steel has come down by over 6% even after absorbing input cost escalations.

VRS in public sector steel units

1105. SHRI GAYA SINGH:
SHRI J. CHITHARANJAN:

Will the Minister of STEEL be pleased to state:

(a) whether the public sector steel units had offered Voluntary Retirement Scheme (VRS) to reduce their work force to optimum level;

(b) if so, whether any target was fixed for each unit;

(c) if so, the details thereof;

(d) the number of workers accepted VRS in each unit and the cost incurred thereon, category-wise;

(e) whether the performance of the public sector steel units has improved since then;

(f) if so, the details thereof; and

(g) if not, the reasons therefor and Government's reaction thereto?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI BRAJ KISHORE TRIPATHY): (a) So far Voluntary Retirement Scheme (VRS) has not been introduced by Rashtriya Ispat Nigam Limited.

SAIL had implemented voluntary retirement scheme during the year 1998 and 1999 to reduce its workforce. VRS were also operated in Indian Iron and Steel Company (IISCO) and Visvesvarya Iron & Steel Limited (VISL) with the assistance of Grant-in-aid from National Renewal Fund (NRF).

(b) and (c) No targets were fixed.

(d) The unit-wise number of employees who have opted for VRS during 1998 and 1999 are given below :

	1998			1999		
PLANT	EXEC.	N. EXEC.	TOTAL	EXEC.	N.EXEC.	TOTAL
BSP	107	1063	1170	515	2882	3397
DSP	121	1133	1254	294	2890	3184
RSP	118	1083	1201	400	2219	2619
BSL	62	846	908	241	992	1233
ASP	177	473	650	298	1231	1529
SSP	12	26	38	21	40	61
RMD	30	576	606	94	910	1004
CMO	17	110	127	58	412	470
Others	14	7	21	90	30	120
TOTAL	658	5317	5975	2011	11606	13617

The VR Schemes operated by SAIL during 1998 and 1999 were on deferred payment basis, in which payment to the beneficiary would be made over the years depending upon age, period of service rendered etc. by the employee under the provisions of the scheme. On the basis of present valuation, the estimated compensation in the plants works out as follows :

(Rs. in crores)

YEAR	BSP	DSP	RSP	BSL	ASP	SSP
1998-99	22.45	24.68	25.03	21.50	17.51	1.46
1999-2000	72.89	70.70	71.68	39.79	58.68	2.69

Details of number of employees of IISCO and VISL who availed VRS and the amount utilised from NRF are as under :

YEAR	BSCO				VISL			
	Exec	N-Exec.	Total	Amount (Rs. Cr.)	Exec.	N-Exec.	Total	Amount (Rs. Cr.)
1995-96	16	246	262	7.90	14	72	86	3.07
1996-97	17	317	334	11.58	38	341	379	13.64
1997-98	0	483	483	16.39	19	315	334	12.86
1998-99	6	231	237	5.72	14	263	277	8.83
1999-00	3	377	380	5.00	32	86	118	4.1

(e) to (g) The financial performance of the company is dependent on many factors including surplus manpower. The result of downsizing of manpower through VRS and other measures taken by SAIL including the restructuring package approved by Government has improved its financial performance during the current year.

Working of Steel Plants after Modernisation

1106. SHRI ANANTA SETHI: Will the Minister of STEEL be pleased to state:

(a) whether Government have reviewed the working of the Rourkela, Bokaro and Durgapur steel plants after modernisation;

(b) if so, the amount spent on the modernisation of these steel plants;

(c) whether the modernisation process in these plants has been completed;

(d) if so, the result achieved by these plants since then; and

(e) the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI BRAJ KISHORE TRIPATHY):

(a) Yes, Sir.

(b) The amount spent on the modernisation in each plant is given below:

(Rs. in crores)

Plant	Amount spent @
Rourkela	3852.81
Bokaro	1771.97
Durgapur	4294.80

@As on 31.3.2000, arrived at after restructuring of SAIL.